

**LICENSING Workgroup Notes
5-7-07**

- **Licensing requirements – Business Brokers**
- **Accountability-Real Estate Agents (ex. AZ/Mexico)**
- **Review all 50 Statutes-unnecessary regulations?**
- **License requirements, education component? Two-year degree?
“raise the standard of care, raise the bar”**
- **Broker Licensing**
 - Why are they being re-fingerprinted?**
 - Due dates?**
 - Agents who are licensed in another state (waive dollar programs)?**
 - Terminology addressed? Clarification?**
 - Clear, cut process, need to be more defined (Plain talk Committee)**
 - Manufactured home sales (ex. Log homes), address licensing requirements**
- **Registration of trade names (DBA, use of more than one trade name)
Names registered with the Secretary of State and ADRE (lots of confusion)**
- **Dates Statutes**
 - Broker act within 24-hour notice, sever process (modern day?),**
 - Sever process online-currently in the works**
 - Rules, 24-hour notice, Public interest? Code of Ethics (law supersedes)**
- **Public Protection?**
- **Designated Brokers knowledge? Competence? R4-1101, Code of Ethics**
 - Property Management! (very problematic)**
 - Special Certifications for an area of expertise? Careful not to overlook other areas**
 - Business Brokers licensed by Real Estate. Why, besides Leases?**
 - Commercial disputes (civil)**
- **Why do we have a Sales Person/Broker’s license? Why two DIFFERENT licenses-add designations on one license? DB, Assoc. Broker, Sales Person, etc....**
 - Employing broker license? Do we need this license?**

- **Entities owned by non-licensee's; - problems**
- **Non-Disclosures; look into Civil as well as Criminal.**
Fingerprint check PRIOR to issuance of licensure. –Currently being implemented
Clarify Rule R4-28-301(F) -10 day rule. -Confusing and convoluted.
Legal definition of Moral turpitude? -only case law, interpretation...
- **Mandatory E&O; policies, self-employed, putting the public @ risk, Mal-practice insurance.**
- **Out-of-State Brokers; rules and regulations need to be more sufficient**
- **licensing exemptions**
- **Dual Agency- requires legislation-may be too big for this committee's timeline**
- **Advertising; -ROC requires license # to be in the advertising**
Future-website revisions will include “nicknames” to facilitate locating licensees information.
Some type of monitoring needed? How much?
- **Referral Fees ---accepting referral fees? Should they be allowed? Is this good business practice? Do we need clarification here?**
- **Mortgage Fraud / Foreclosure Scams**
Proactive steps to implement some statutes, House Bill 2040,
discussion of amendment to deal with Mortgage Rescue Company (coming from AG's Office)
Focusing on lenders and mortgage companies.
A.R.S. § 32-2153(B) –possibly place Mortgage Fraud here. Statute more pointed-need clarification!
- **Branch Offices; requirements being abused such as; charging monthly fee for having office @ residential dwelling. Lack of supervision and control**
Clarifications - what constitutes a Branch?